

## ATTACHMENT II

### **LOUISIANA TECHNOLOGY INNOVATIONS FUND - PROGRESS REPORT**

**March 8, 2002**

#### **I DEPARTMENT/AGENCY**

Division of Administration  
Office of Electronic Services

#### **II PROJECT TITLE**

Louisiana E-Mall

#### **III PROJECT LEADER**

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#### **IV DESCRIPTION OF THE PROJECT**

The Office of Electronic Services has contracted with IBM as the Internet E-Commerce Service Provider to provide turnkey services to allow state government to operate an electronic mall with varied storefronts operated and managed by individual Agencies. The E-Mall will be accessible over the Internet through agency Web pages and the Louisiana Services Directory being developed as part of *Info Louisiana* by the Office Electronic Services. The e-Mall will make available to state agencies:

- ✍ Host Services and agency stores, including necessary E-Commerce hardware, software, and data communications.
- ✍ Tools to allow agencies to remotely configure and manage their individual stores.
- ✍ Consulting services support for Agencies in their implementations of storefronts to use custom forms and to interact with agency databases.
- ✍ Tools and support to facilitate Internet-based credit card processing and other electronic formats (i.e., e-checks) for interacting with the "State Bank" designated by the State's Treasurer's Office in accordance with state legislation and regulations.

Five agencies have participated in the Initial Phase of this project that is focused on getting the basic e-Mall and the agency storefronts to an operational status. The initial agencies are Department of Transportation And Development (DOTD), Louisiana Department of Insurance (LDOI), Department of Economic Development (DED), Louisiana Real Estate Commission (LREC), and Division of Administration's Office of State Register (OSR). Once operational, the e-Mall services are available to all state agencies to use in development of agency specific storefronts for offering services over the Internet.

## V PROJECT STATUS

- A. Brief Summary – An RFP for the E-Mall development and hosting services was issued in March 2000 and proposal responses were received in May 2000. Twenty-one proposals were received for evaluation. Proposal evaluation was conducted during the period May 31, 2000 through August 17, 2000 and a recommendation for award was submitted to State purchasing. A contract with IBM was prepared and was approved by State Purchasing and the Procurement Support Team in September 2000. The contract was issued to IBM on October 5, 2000. A project kickoff meeting involving the state steering committee, participating agency personnel, and the IBM team was held on October 16, 2000. The Core E-Mall and storefronts for Office of State Register (OSR) and Department of Transportation and Development (DOTD) were delivered for acceptance testing in March 2001. Additional storefronts for Department of Economic Development (DED) and Louisiana Real Estate Commission (LREC) were delivered for acceptance testing the first week of April. Completion of the storefront for Louisiana Department of Insurance was rescheduled for and made in July 2001 to coincide more closely with the Department's internal plans.

Upon delivery, the core E-Mall and the DOTD, OSR, DED, and LREC storefronts were acceptance tested for an extended period. As a result of this testing 22 DRs (Deficiency Reports) and 28 mandatory CRs (Change Requests) were identified. The CRs are new requirements which did not exist when the original requirements review was conducted whose inclusion were determined to be mandatory for the system to be launched operationally. All DRs were corrected by June 4. Work off of the CRs is discussed in detail in Section C below.

In February 2001 discussions were initiated concerning hosting of several new Office of Motor Vehicles (OMV) e-commerce applications on the E-Mall. Due to the nature of these applications, it was determined that the best approach is to use the E-Mall as a payment gateway. This approach required that an application program interface (API) be established that allows OMV resident applications to interface the E-Mall for the payment processing. IBM has established this API as a generic Payment Gateway within the Core E-Mall so that other agencies can leverage its common payment, customer confirmation, and financial reporting capabilities. OMV began developing their applications interface to the Payment API in March 2001 and began testing with the IBM development in early May. Based on testing results, the API was placed into production and two OMV applications, Online Drivers Records and Reinstatements, were launched in November 2001.

Coordination is currently underway with Department of Social Services, the Legislature, the State Land Office, Department of Education, Wildlife and Fisheries, and Department of Labor on potential use of the E-Mall for eCommerce applications within their organizations.

### B. Accomplishments

Proposals received from vendors	May 26, 2000
Proposal Evaluation Completed	August 17, 2000
Award Recommendation and Draft Contract Approved	September 8, 2000
Contract issued	October 5, 2000
Management Kickoff Meeting	October 16, 2000
Agency Requirements Determination	October 26 and 27, 2000
Core Requirements Baseline Approved	November 15, 2000
E-Mall Academy Launched	December 20, 2000
Begin Payment API development	March 1, 2001
Office of Motor Vehicles Application Initiated	March 14, 2001
Core E-Mall Delivered	March 28, 2001
OSR Storefront Delivered for Acceptance	March 28, 2001

DOTD Storefront Delivered for Acceptance	March 28, 2001
DED Storefront Delivered for Acceptance	April 10, 2001
LREC Storefront Delivered for Acceptance	April 10, 2001
Core E-Mall Operational	June 10, 2001
Local Tax Collection Implemented	June 15, 2001
Storefronts for LREC, DOTD, OSR, & LDED Operational	June 10 – August 7, 2001
DOI Storefront Delivered for Acceptance	July 7, 2001
DOI Storefront Acceptance	September 2001
OMV Applications Online	November 1, 2001

C. Problems Encountered/Action Taken or Planned

The proposal submission, evaluation and award process took six weeks longer than originally planned. The proposal submission date was extended three weeks in response to official requests from several of the potential vendors for additional time to prepare a more comprehensive proposal. In addition, the evaluation and award activities required three weeks more than originally planned due the overwhelming vendor response and the additional time necessary for their consideration – twenty-one proposals were evaluated. This additional time expended to select the best value to the state was a worthwhile investment that will provide favorable returns in the future.

During acceptance testing OES identified 3 CRs that required changes prior to Core E-Mall launch and the Louisiana Real Estate Commission (LREC) identified 3 Change Requests (CRs) that required changes prior to launch of their storefront. Modifications for these CRs were in place in time to support the Core E-Mall and LREC storefront launch June 10, 2001.

In January 2001, it was determined that local taxes should be collected for taxable items sold via the E-Mall. This new requirement affects two of the initial storefronts, Office of State Register (OSR) and Department of Transportation and Development (DOTD). The requirement for local tax collection was submitted to IBM and the development necessary to add local sales tax collection to Core E-Mall capabilities was completed. The local tax capability became operational August 3, 2001. Additional modifications required to accommodate the OSR and DOTD storefront CRs (OSR – 4 CRs and DOTD – 2 CRs) identified during the April acceptance testing were completed and in place in mid June. The OSR and DOTD storefronts were launched in early August when the local tax collection capability was fully tested.

As a result of acceptance testing, the Department of Economic Development identified 16 CRs that were required for their storefront to be operationally launched. IBM expended 175 hours of technical personnel time to make these changes, thereby delaying the DED storefront launch to July 7, 2001. Meanwhile, DED completed development of their in-house application to process the information that is collected through their storefront in a timeframe that supported their July 7 launch date.

Due to department resources availability, Louisiana Department of Insurance (LDOI) management initially requested their storefront delivery schedule be extended from late March to June 2001. The storefront was delivered in early July at which time DOI informed OES that they will not launch the site until 2002 pending working out legislation related issues concerning electronic payment charges and electronic signatures. The DOI storefront has been completed and tested and is ready to be launched when DOI has worked out their issues.

In December 2001 there were database performance problems related to the new OMV applications. Without impact to the other storefronts, the service provider, IBM, aggressively addressed these problems beginning the first week of January. After a three week concerted effort involving IBM, OMV and OES a long term solution was developed, installed, demonstrated, and

successfully moved to production thereby restoring the OMV applications to full operational status.

D. Major Milestones.

Contract award on October 5, 2000  
Project Kickoff on October 16, 2000  
Core E-Mall Delivered March 28, 2001  
Core E-Mall Operational June 10, 2001

VI COST VS. BUDGET

	<u>Category</u>	<u>Budgeted</u>	<u>Actual</u>	<u>Projected Surplus</u>
A.	Equipment			
B.	Software			
C.	Telecommunications			
D.	Professional/Contract Services			
	Implementation and host Services for Louisiana e-Mall	\$925,000	842,400	0 (See Section VII)
E.	Other Costs			
	<b>Total Project Cost</b>	<u>=====</u> <b>\$925,000</b>	<u>=====</u> <b>\$842,400</b>	<u>=====</u> <b>0</b>

## VII ITEMIZED EXPENSES AND FINANCIAL OBLIGATIONS INCURRED DURING THIS REPORTING PERIOD

Following is the schedule of obligations to date under the base contract:

11/00	01/01	03/01	05/01	06/01	07/01	08/01	09/01	10/01	11/01	12/01-6/02	Total
\$513.8K	9.1K	49.5K	59K	11K	8.3K	43.5K	25.8K	30.9K	19.3K	72.1K	\$842.4K

Following are payments to date under the base contract:

01/2001	02/2001	06/2001	07/2001	08/2001	10/2001	11/2001	12/2001	1/2001	2/2001	Total
\$257.8K	\$137.1K	\$128K	\$119.5K	\$8.3K	\$69.4K	\$30.9K	\$10.3K	\$10.3K	\$19.3K	\$790.9K

Total payments for E-Mall through this date are \$790.9K. Existing obligations to be paid between the current date and June 30, 2002 are \$51.5K resulting in total contract commitments to date of \$842.4K, leaving \$82.6K of the \$925K grant uncommitted.

OES is coordinating with additional agencies to add new applications in the March - June 2002 timeframe, several of which will utilize the Payment API. In addition OES has requested extension of the MOU for this project through December 2002. When the project was originally submitted for TIF consideration the plan was to develop the Core E-Mall in six months and to then sustain that capability for the partner agencies for 18 months. Because the project was approved later than planned and the competitive selection process extended even longer, the Core E-Mall became operational in June 2001. Extension of the TIF MOU through December will provide for full 18 months sustenance for the E-Mall Core under the TIF funding. Development costs for additional agency applications and continuance of the Core Email support through December 2002, if approved, will be paid from the \$82.6K remaining available funds not to exceed the approved grant total of \$925K.

Baseline Status Summary									
	Jun 2000	Sep 2000	Dec 2000	Mar 2001	Jun 2001	Sep 2001	Dec 2001	Mar 2002	Jun 2002
Plan	5	20	35	50	60	70	80	90	100
Actual	5	15	35	50	65	75	87	92	

The original baseline plan reflects end of quarter status. The work that was performed between June and November 2000 was preparation for the contracted portion of the project and was performed by state employee employees. The TIF funded phase of this project began in October 2000. The E-Mall is in place and the overall project is estimated to be 92% complete, which is slightly ahead of schedule, in March 2002. The remaining 8% is sustenance of the Core E-Mall. This slight variance is due to an early start on significant new applications for Office of Motor Vehicles and key enhancements to the Core E-Mall, particularly the payment API and the Local Tax Collection capability.